

Mr. BECERRA, together with my colleague, Mr. BOEHLERT from New York in reintroducing a bill intended to clarify the tax treatment of certain environmental escrow accounts. This bill was first introduced in the 107th Congress.

The provisions in the bill would encourage prompt and efficient settlements with the Environmental Protection Agency ("EPA") for the clean-up of hazardous waste sites. Currently, there is some uncertainty in the tax treatment of certain "settlement funds" that are, in effect, controlled by the EPA, in their role of resolving claims under Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"). This uncertainty may prevent taxpayers from entering into prompt settlements with the EPA for the cleanup of Superfund hazardous waste sites and reduce the ultimate amount to funds available for cleanup of such sites.

The EPA has recognized this problem and has recently written to the Department of the Treasury expressing support for clarification that these "funds will, for Federal income tax purposes, be treated as beneficially owned by the United States government and therefore not subject to Federal income tax if certain conditions are met." I include in the record, a copy of the EPA letter dated February 7, 2003

Our bill follows the recommendations of the EPA on this important issue. Under our bill, if certain conditions are met, the EPA (U.S. government) will be considered the beneficial owner of funds set aside in an environmental settlement fund account. These conditions include the fund being: (1) established pursuant to a consent decree; (2) created for the receipt of settlement payments for the sole purpose of resolving claims under CERCLA; (3) controlled (in terms of expenditures of contributions and earnings thereon) by the government or an agency or instrumentality thereof; and (4) upon termination, disbursed to the government or an agency or instrumentality thereof (e.g., the EPA). If such conditions are met, the EPA will be considered the beneficial owner of the escrow account for tax purposes and the account will not be considered a grantor trust for purposes of Sections 468B, and 671–677 of the Internal Revenue Code. These escrow accounts, which are established under court consent decrees, are a necessary tool to enable the EPA to carry out its responsibilities and resolve or satisfy claims under CERCLA. Under these types of consent decrees, the EPA should be considered the owner of such funds for Federal tax purposes.

Due to the current uncertainty as to the proper Federal income tax treatment of such government-controlled funds, taxpayers may be hesitant to promptly resolve their claims under CERCLA by contributing to the settlement funds. One of the underlying purposes of CERCLA is to ensure prompt and efficient cleanup of Superfund hazardous waste sites. This goal is being frustrated by the existing uncertainty in the tax laws. The bill resolves these uncertainties and expedites the cleanup of Superfund hazardous waste sites by treating these escrow accounts as being beneficially owned by the U.S. government and not subject to tax.

We urge our colleagues to join us in cosponsoring this legislation.

ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, February 7, 2003.
Ms. PAMELA F. OLSON,
Assistant Secretary—Tax Policy, Department of
the Treasury, Washington, DC

DEAR MS. OLSON: I am writing to express support by the Environmental Protection Agency ("EPA") for clarification of the tax treatment of certain environmental cleanup "settlement funds" under IRC section 468B. The clarification would provide that such funds will, for Federal income tax purposes, be treated as beneficially owned by the U.S. government and therefore not subject to Federal income tax if certain conditions are met. As General Counsel to the agency, I am not offering an opinion on the legal issue or any other fiscal or tax policy aspects to this proposal. We defer to the Treasury Department on these issues. However, after consultation with our office of Enforcement and Compliance Assurance, I offer this letter to provide our views based on the environmental issues involved, that I hope will assist you in your review of this issue.

The cleanup of Superfund hazardous waste sites is sometimes funded by environmental "settlement funds" or escrow accounts. These escrow accounts are established in consent decrees between the EPA and the settling parties under the jurisdiction of a federal district court. They are a tool to enable the EPA to carry out its responsibilities and resolve its claims against private parties under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA").

While the escrow accounts are funded by the settling parties (defendants), some of these consent decrees require that the EPA approve expenditures of such funds (including the payment of costs and reimbursements), and provide that any remaining funds after termination will be paid to the EPA.

We have been briefed by some taxpayers' representatives that, under current law, there is uncertainty as to the proper Federal income tax treatment of such government-controlled funds. One of the underlying purposes of CERCLA is to ensure prompt and efficient cleanup of Superfund hazardous waste sites. Uncertainty in the tax treatment of certain "settlement funds" may prevent taxpayers from entering into prompt settlements with the EPA for the cleanup of Superfund hazardous waste sites.

We would support appropriation conditions to ensure that escrow accounts are properly structured and safeguarded, such as conditions requiring that the funds are: (1) established pursuant to a consent decree; (2) created for the receipt of settlement payments for the sole purpose of resolving claims under CERCLA; (3) controlled (in terms of expenditures of contributions and earnings thereon) by the federal government; (4) upon termination, disbursed to the government (e.g., the EPA); and (5) structured so that the government may be treated as beneficial owner for these purpose only, and not for other purposes such that the government has responsibility or liability for activities of the accounts or at their managers.

Thank you for considering our views of the environmental consequences of this issue.

Sincerely,

ROBERT E. FABRICAN,
General Counsel.

A SPEECH BY THE HONORABLE
SEAN O'KEEFE, ADMINISTRATOR
OF NASA

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 2003

Mr. SKELTON. Mr. Speaker, let me take this means to bring the words of NASA's Administrator Sean O'Keefe to the attention of the Members of the House. Speaking at the National Cathedral in a memorial service February 6, 2003, for the crew of STS-107, Mr. O'Keefe provided us with words of comfort that should be shared with all.

SEAN O'KEEFE: To be an astronaut is to accept a lofty calling. The seven daring souls who we grieve for today represented the best of the human spirit. They did their chosen calling proud and they had a special grace. Today we pay tribute to the Columbia astronauts for what they did for us in carrying on the great tradition of the select few we call astronauts.

For over 40 years these remarkable men and women who we've all come to know proudly wearing their orange space suits and blue flight jackets have played one of history's most unique diplomatic roles, acting in peace for all mankind, they serve as our good will ambassadors to the universe.

Every time we send humans into space, our astronauts look up to the starry firmament seeking to extend our horizons throughout the vast expanse of God's creation. Our explorers go forward into the unknown with hope and faith. As Commander Rick Husband said, "There is no way that you can look at the stars, at the Earth, at the moon, and not come to realize there is a God out there who has a plan and who has laid out the universe."

In this magnificent cathedral, a portion of the lunar surface brought back to Earth by moonwalkers Neil Armstrong and Buzz Aldrin is encased in a precious stain glass window. As we worship today in celebration of seven wonderful lives, this glorious window reminds us that the exploration of space will go on propelled by the human urge to strive, to seek, to find, and not yield, and by our common faith in our Creator.

Our astronauts also have another role. By pursuing research to improve people's lives and expand our understanding of the natural world, these brave individuals help pioneer the future in ways undreamed by our ancestors. This was the noble work that joyfully motivated our seven courageous Columbia crew when they ascended to the heavens three weeks ago.

Now some day due to our astronauts dedicated space research, we may find better means of fighting cancer, of life-saving drugs, helping our parents and grandparents stay healthy throughout their lives. We will always thank the crew of Columbia STS-107 mission for their passionate commitment to this cause.

Now, of course our astronauts count on all the talented men and women of the NASA family represented here today. To help advance these ambitious research objectives, they're amazing people. Public servants who make up the NASA family. Everyday our scientists, engineers, safety and support folks come to work at all of our centers, thankful for the opportunity to engage in such exciting meaningful work on behalf of the American people. It is through their efforts that we are making tangible progress in our quest to improve aviation safety and efficiency, promote medical discoveries, probe more

deeply into the universe, explore the planets and better understand the dynamics of Earth's climate system.

And while this is a difficult period for the men and women of the NASA family, we will persevere. The support we've received from the astronauts' families, from the President, from the Vice President, and from the nation has been of tremendous strength. We will not let you down.

Throughout this period of mourning, the brave families of the Columbia crew have been rocks of courage and dignity, providing much comfort to the nation and its inspiration to us all.

Dave Brown's parents, Paul and Dorothy, along with their—his brother, Dave, are here with us today leading, I'm told, a very impressive contingent of the Brown family; as are John and Ian Clark, Laurel Clark's family; and Master Sergeant Jimmy Danielle, Mike Anderson's brother-in-law. To you and to all the families of the Columbia astronauts, we thank you for your incredible fortitude.

To honor the legacy of the Columbia astronauts, we have made a solid commitment to their families to find the cause of the accident, correct whatever problems we may find, and safely move forward with our work. Motivated by our mission goals of understanding and protecting the home planet, exploring the universe and searching for life, and inspiring the next generation of explorers, we will make good on this commitment.

The last element of our mission, to inspire the next generation of explorers is very important to NASA. It is a passion of ours. And because of the memory of the gallant 107 crew has done so much to inspire our youth, our shining hope for the future, to carry forth a torch of exploration and discovery, we are forever grateful to the Columbia astronauts.

As you might imagine, NASA has received a tremendous outpouring of condolences of the loss of the Columbia crew from people throughout the world. It struck us often of folks who pointed out the unique role that holds in many ways the astronauts have on our young and young at heart. One gracious letter came to us from Rosemary Callahan, the fifth grade teacher in Arlington, Virginia's St. Charles School. She wrote her letter after her students had thoughtfully taken time to write their own letters of condolence, and we thank them for their heartfelt gesture. In representing her students, we're honored to have Rosemary here with us today.

I'd like to read to you from her letter, which was written on Monday. "Today on the chalkboard I wrote the definition of a hero. 'A person admired for bravery, great deeds or noble qualities.' In the wake of the tragedy of Columbia and its astronauts, seven people have come to light as modern-day heroes. But they were heroes, people of great character and depth, long before Saturday. When profiled in the media, they were recognized for their spirit, for intellect, with a desire to learn and give to others, well-rounded people who could function together as a team. People who grabbed at life for the great and simple things. Indeed, they were the best."

Rosemary concluded these words by writing, "Our children continue to need heroes. Real heroes. May your beloved astronauts continue to inspire all as you move forward. Your hearts are heavy now, but in time God grant you a light heart again."

In this time of enormous sadness, these words from the Book of Revelation are most comforting: "And God will wipe away every tear from their eyes." The writer speaks of those who are at rest with God. These words also have significance for us who are still

here on our earthly pilgrimage. "God will wipe away the tears from our eyes."

Our hope is not ultimately a hope grounded in the progress of human achievement, as remarkable as that may be, rather it is a hope grounded in the Creator who calls Rick, Willie, Michael, Kalpana, David, Laurel, Ian and each of us by name. May he have the faith to lift our eyes towards the heavens as they did and find their God's peace.

May God bless the crew of STS-107 and may he lighten the hearts of their families and all who mourn for these valiant heroes.

RECOGNIZING BRUNO BARTOLUCCI FOR HIS OUTSTANDING SERVICE TO THE WINE INDUSTRY AND THE PEOPLE OF NAPA COUNTY

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 2003

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize Bruno Bartolucci, owner of Bartolucci Vineyards in Napa Valley California, for his outstanding contributions to America's wine industry and his community.

Born in San Francisco, the son of an immigrant garbage man, Bruno Bartolucci learned early on that hard work was not something to shy away from. Mr. Bartolucci's father relocated the family to a farm in Napa Valley in the 1930's and, though he was young, Mr. Bartolucci was responsible for tending to the chickens, gathering eggs, picking fruit and doing extensive maintenance. When the Bartoluccis began growing grapes, his workload became so extensive that during harvest season he only attended high school every other day.

Mr. Speaker, nearly 70 years have passed since Bruno Bartolucci first worked his father's vineyard. Since that time, Mr. Bartolucci's tremendous work ethic and personal commitment to excellence have made Bartolucci Vineyard famous for the quality of its grapes and renowned for its Cabernet Sauvignon.

Recently, America's wine business has experienced tremendous expansion. While it is gratifying to see such a robust industry, an unintended side effect of this growth has been the detachment of vineyard owners from their fields. This, however, is not the case at Bartolucci Vineyards.

Individuals visiting Mr. Bartolucci must walk into the fields to speak with him. It is there, amidst the perfectly aligned grape rows and surrounded by workers, that he can be found working in his classic green jumpsuit which sports the wears of his trade. At age 80, he still prunes grapes, supervises picking, fixes machines and maintains the beautiful garden.

Mr. Bartolucci's dedication to work is only overshadowed by the size of his heart. When he is not at work, Mr. Bartolucci can be found doing a wide variety of community service. Whether donating to charitable organizations or cooking dinner for the Sons of Italy, Mr. Bartolucci never ceases finding ways to serve our community's needs.

Mr. Speaker, Mr. Bartolucci is the standard to which all Americans should be compared. His commitment to farming and the community is rooted deeper than Napa Valley's famous vines. For these reasons and countless others, it is most appropriate that we honor Mr. Bruno Bartolucci today.

INTRODUCTION OF BELARUS DEMOCRACY ACT OF 2003

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 2003

Mr. SMITH of New Jersey. Mr. Speaker, today I am introducing the Belarus Democracy Act of 2003, which is intended to help promote democratic development, human rights and the rule of law in the Republic of Belarus, as well as encourage the consolidation and strengthening of Belarus' sovereignty and independence. I am joined by Congressmen HOYER, HOFFEL and Congresswoman SLAUGHTER, as original cosponsors.

When measured against other European countries, the state of human rights in Belarus is abysmal—it has the worst record of any European state.

Through an illegitimate 1996 referendum, Alexander Lukashenka usurped power, while suppressing the duly-elected legislature and the judiciary. His regime has repeatedly violated basic freedoms of speech, expression, assembly, association and religion. The democratic opposition, nongovernmental organizations and independent media have all faced harassment. Just within the last few months, we have seen a number of events reflecting the negative trend line: the passage of a repressive law on religion which bans religious activity by groups not registered with the government and forbids most religious meetings on private property; the bulldozing of a newly-built church; the incarceration of leading independent journalists; and the continued harassment, as well as physical attacks on the political opposition, independent media and nongovernmental organizations—in short, anyone who, through their promotion of democracy, would stand in the way of the Belarusian dictator. Moreover, we have seen no progress on the investigation of the disappearances of political opponents—perhaps not surprisingly, as credible evidence points at the involvement of the Lukashenka regime in their murders. Furthermore, growing evidence also indicates Belarus has been supplying military training and weapons to Iraq, in violation of UN sanctions.

Despite efforts by the U.S. Government, non-governmental organizations, the Organization for Security and Cooperation in Europe (OSCE) and other European organizations, the regime of Alexander Lukashenka continues its hold onto power with impunity and to the detriment of the Belarusian people.

One of the primary purposes of this bill is to demonstrate U.S. support for those struggling to promote democracy and respect for human rights in Belarus despite the formidable pressures they face from the anti-democratic regime. The bill authorizes increases in assistance for democracy building activities such as support for non-governmental organizations, independent media including radio and television broadcasting to Belarus, and international exchanges. The bill also encourages free and fair parliamentary elections, conducted in a manner consistent with international standards—in sharp contrast to recent parliamentary and presidential elections in Belarus which flaunted democratic standards. As a result of these elections, Belarus has the distinction of lacking legitimate presidential